

 Early Warning System

AIIB-000756

Rwanda: Accelerating Sustainable and Clean Energy Transformation
(ASCENT) Rwanda



Quick Facts

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| Countries | Rwanda |
| Financial Institutions | Asian Infrastructure Investment Bank (AIIB) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2024-03-25 |
| Borrower | Government of Rwanda |
| Sectors | Energy, Infrastructure |
| Investment Type(s) | Loan |
| Investment Amount (USD) | \$ 100.00 million |
| Loan Amount (USD) | \$ 100.00 million |



Project Description

According to the AIIB, the objective of the project is to accelerate access to sustainable, reliable and clean energy for households, enterprises and public institutions in the Republic of Rwanda.

The Project will support the target of the Government of Rwanda (GOR) to achieve universal electricity access, in line with Rwanda's National Electrification Plan (NEP), targeting grid-based electrification for 65 percent of villages and off-grid electrification solutions for 35 percent. It will also strengthen Rwanda's efforts to enhance energy access for productive uses. In addition, the Project will support improved quality, reliability and efficiency of electricity service through upgrades in the electricity network and improvements in the operational performance of the energy utility. Finally, the Project will provide increased access to clean cooking solutions amongst large institutional users, in aid of the target of the Energy Sector Strategic Plan to reduce the number of households using traditional cooking fuels in line with GOR's target to reduce unsustainable biomass usage.



Early Warning System Project Analysis

As stated by the AIIB, the Project will have both positive and negative social impacts on people and communities in implementation areas. The key social risks and potential adverse impacts include: (i) increased risks related to sexual exploitation, abuse and harassment (SEA/SH) and spread of transmittable diseases among community members due to labor influx during construction works; (ii) SEA/SH among Project workers; (iii) discrimination in the hiring of local workers; (iv) loss of, or adverse impacts on livelihoods, due to restrictions on land use, and the need to establish right of way easements for HV, MV and LV lines and transformers' infrastructure; (v) risks of labor and working conditions in the supply chain. With respect to on-grid and off-grid electrification and clean cooking, there is a potential risk of exclusion of the vulnerable poor community members and women due to unaffordability of electricity to consumers.



Investment Description

- Asian Infrastructure Investment Bank (AIIB)

The loan will be co-financed with the WB as lead co-financier.



Private Actors Description

As stated on the company's website, the Government of Rwanda has undertaken reforms in the energy and water sector which have been concretized by the separation of energy from water operations. The main objectives being; to have sector focused and efficient operations; attract more investment; improve planning and accountability; and increase access to services by the population to drive sector performance towards the targets envisaged in the EDPRS II and other national goals.

To this end, Government adopted the corporatization model as a vehicle to implement the required reforms. The law repealing EWSA Law of 97/2013 of January 31, 2014 paved the way for the creation of two corporate entities which were subsequently incorporated in July 2014 with 100% government shareholding.

The Rwanda Energy Group Limited (REG) and its two subsidiaries; The Energy Utility Corporation Limited (EUCL) and The Energy Development Corporation Limited (EDCL) entrusted with energy development and utility service delivery while the Water and Sanitation Corporation (WASAC) has the mandate to develop and operate water and sanitation infrastructure and deliver related services in the country.

The Rwanda Energy Group (REG) was incorporated to expand, maintain and operate the energy infrastructure in the Country through its two subsidiaries the Energy Utility Corporation Limited (EUCL) and the Energy Development Corporation Limited (EDCL). The object of creating these subsidiaries amongst others was to ensure focused attention to enhancing efficiency in utility operations on one hand and ensure more timely and cost efficient implementation of development projects on the other. Moreover the REG holding structure provides the overall coordination and ensures effective development of energy and investment plans



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|---------------------|----------------------|------------------------|
| - | - | - | - | Rwanda Energy Group | Contractor | Energy |



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes. Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html>

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: <https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html>



Bank Documents

- [Project Summary \(November 14, 2023\)](#) [Original Source]

Government Documents

- Environmental & Social Management Plan - Plant Design, Supply and Commissioning of EAQIP in Musanze
- A CONCEPT NOTE ON THE RWANDA NATIONAL ELECTRIFICATION PLAN (NEP) -2023 REVISION
- DRAFT ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)
- Environmental and Social Commitment Plan (ESCP) - Additional Financing to EAQIP
- Stakeholder Engagement Plan - ASCENT Project
- Stakeholder Engagement Plan EAQIP - Project Number P172594 and Additional Financing to Scale Up Acce



Other Related Projects

- WB-P172594 Rwanda - Energy Access and Quality Improvement Project
- WB-P176707 Additional Finance to Scale Up Access to Modern Energy in Rwanda
- WB-P180575 Second Additional Financing for Energy Access and Quality Improvement Project
- WB-P181328 Accelerating Sustainable and Clean Energy Access Transformation - Regional Energy Access Financing Platform